

Novation Launches Non-Injectable Generics Distributor Program

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IRVING, Texas, Mar 30, 2009 (BUSINESS WIRE) ----On Aug. 1, 2009, Novation, the leading health care contracting services company, will implement a ground-breaking new program with pharmacy distributors to provide contract pricing on a portfolio of non-injectable generic drugs. Novation's pharmacy distributors, including AmerisourceBergen, Cardinal Health, McKesson and Morris & Dickson, will offer their proprietary non-injectable generic programs to members of VHA Inc, University HealthSystem Consortium (UHC: undefined, undefined, undefined%) and Provista. The non-injectable generic drug program includes products such as: tablets, capsules, topical creams and ointments, ophthalmic and otic solutions, oral liquids and respiratory products. The new program will supplement Novation's pharmacy portfolio, which offers member's industry-leading value on a full selection of branded and injectable pharmaceuticals, NOVAPLUS(R: 28.37, 1.44, 5.35%) private brand products, and plasma products.

"Members spend more than \$12.5 billion a year through Novation's comprehensive pharmacy portfolio which features nearly 10,000 products," said Mick Hunt, vice president, pharmacy at Novation. "Non-injectable generics are commodity products that represent about 3 percent of member pharmacy spend." VHA, UHC and Provista members who participate in Novation's Pharmacy Program will receive:

- Better pricing on non-injectable generic drugs
- Quicker access to new generic products
- Improved product supply
- Enhanced value through increased member returns

Hunt adds, "Most members of VHA, UHC and Provista already purchase a portion of their non-injectable generic drugs through their distributor's contracts so we expect the transition to be seamless. We look forward to working with our pharmacy distributors to offer our mutual customers enhanced value and service." The initial contract between Novation and participating distributors has been extended through April 30, 2013. In addition, Novation has created a dedicated team to work closely with the pharmacy distributors to assure product contract coverage, competitive pricing, and excellent supply availability. The Novation Pharmacy Distribution Council will provide member input into this relationship to assure member needs are met. NOVAPLUS(R: 28.37, 1.44, 5.35%) products, Novation's private label, are not included in this program. Novation will continue to contract directly for all NOVAPLUS pharmacy products, injectables, branded pharmaceuticals, plasma products and distribution services, pharmacy capital equipment, pharmacy distribution services and reverse distribution services.

About Novation

Founded in 1998, Novation is the leading health care contracting services company for more than 2,500 members of VHA Inc. and the University HealthSystem Consortium (UHC: undefined, undefined, undefined%), two national health care alliances and nearly 14,000 members of Provista, LLC. Novation offers its customers contract development and management, supply chain data and measurement, and industry knowledge and advocacy. Based in Irving, Texas, Novation develops and manages competitive contracts with more than 500 suppliers. VHA, UHC and Provista members used Novation contracts to purchase nearly \$35 billion in 2008. For more information on Novation, visit www.novationco.com.

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